

15 MAY 79

MEMORANDUM FOR: Acting Deputy Director for Administration

FROM: James H. McDonald
Director of Logistics

SUBJECT: Information in Support of DCI Retreat

REFERENCE: R&RS dtd 16 May 79 to D/L fm EO/DDA, same
subj (DD/A 79-1302/6, OL 9-1985)

The following information is keyed to the subjects listed in the reference for your use at the DCI Retreat.

1. Resource Level Compared to Productivity:

The best indicator of productivity is demonstrated by Printing & Photography Division, OL, where statistics show continued growth in output while personnel level remained at about the same level. Attachment (1) reflects these statistics for FY-75 through the estimate for FY-79.

Several factors affect P&PD production. Wider dissemination of unclassified material through public distribution is a major factor. The expanded Atlas Program is an example. Increased use of color and other high quality printing and graphics is demonstrated in the Community Budget, Public Affairs Information, the NID, and other DCI-related briefing material. These quality jobs, while not demonstrated in volume statistics, reflect increased production. Greatly improved turnabout time is also key to good production.

2. New Missions Assigned:

a. FOIA, as with other offices, is a major consumer of time in the Procurement, Records Management, and Industrial Security fields.

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b. Competitive procurement, while highly desirable and a basic premise in Federal procurement, requires a substantial increase in manpower for preparation and execution of contracts. As mentioned below, this has also increased Security activity as the stable of contractors increases.

c. Special activity in support of procurement activity with Small Business, Minority Business, Black Colleges, etc., requires individual attention of senior officers.

d. Changes in Procurement Law and Regulations have significantly increased the workload associated with the contracting process. In addition, considerable manpower is devoted to analysis of, and response to, recommendations in this field. Review of Congressional proposals and Federal Acquisition Regulations has increased significantly.

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3. Problems Identified by Audit for which Resources are not Available to Respond:

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a. A recent IG report cited shortfall in the frequency and thoroughness of industrial security inspections. [REDACTED]

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[REDACTED]

[REDACTED] The workload in industrial security has increased significantly due to the increase in competitive procurement and the resulting increases in the number of contractors. The OL/SS has also assumed responsibility for SI/TK activity on the [REDACTED] from the Security Management Staff, DDS&T. In addition, due to the high priority placed on industrial security, Industrial Audit Teams of the Office of Security have independently reviewed contractor facilities and provided significant follow-up activity for the OL/SS.

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While OL/SS has increased in size, workload continues to increase, absorbing additional assets without a commensurate improvement in operation.

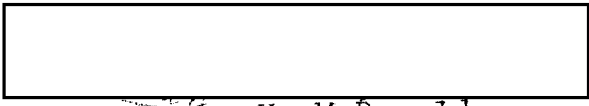
b. In the Supply area, recent audit reports have identified two continuing problem areas:

(1) Personal property in the hands of many Agency components is not being accounted for in a totally satisfactory manner. This is a result of the reduction of many Logistics slots over the past few years and the corresponding easing of property accountability requirements. The auditors recommended that the Office of Logistics create a centralized property accounting system. Unfortunately, such a system would require additional manpower at the Headquarters level, which is not available.

(2) The auditors also recommended that we institute a followup program on customer requisitions. The current personnel resources of the Supply Division only permit a followup by exception policy. Despite computerization, a 100 percent followup system would necessitate additional personnel.

4. Current R&D Projects: None.
5. Vital/Critical Problems: None.

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